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北京迪信通商貿股份有限公司

Beijing Digital Telecom Co., Ltd.

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 6188)

**ISSUE OF NEW H SHARES UNDER
SPECIFIC MANDATE**

ISSUE OF NEW H SHARES UNDER SPECIFIC MANDATE

The Board is pleased to announce that on 1 September 2023, the Company entered into (i) Subscription Agreement I with Subscriber I, pursuant to which Subscriber I has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, a total of 77,000,000 Subscription Shares at the Subscription Price of HK\$1.70 per Subscription Share in three tranches, and (ii) Subscription Agreement II with Subscriber II, pursuant to which Subscriber II has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, a total of 77,000,000 Subscription Shares at the Subscription Price of HK\$1.70 per Subscription Share in three tranches.

The Subscription Shares will be allotted and issued by the Company under the Specific Mandate. The Subscription Shares represent (i) approximately 39.01% of the existing total number of H Shares in issue and approximately 21.03% of the existing total number of the Shares in issue as at the date of this announcement; and (ii) approximately 28.06% of the total number of H Shares in issue and approximately 17.37% of the total number of the Shares in issue as enlarged by the issue of the Subscription Shares immediately following the completion of the Subscriptions, assuming that there will be no change in the total number of Shares in issue (other than the issue of the Subscription Shares) between the date of this announcement and the completion of the Subscriptions.

Assuming all the Subscription Shares are fully subscribed, the gross proceeds from the Subscriptions are expected to be HK\$261.80 million. After deducting related professional fees and all related expenses of approximately HK\$1.05 million to be borne by the Company under the Subscriptions, the net proceeds of the Subscriptions will amount to approximately HK\$260.75 million. The Company intends to use the net proceeds for general working capital for the Group (including repayment of bank loans related to general operation).

GENERAL

The EGM and the Class Meetings will be convened for the purpose of considering and, if appropriate, approving, among other things, the grant of the Specific Mandate, the Subscription Agreements and the transactions contemplated thereunder.

A circular containing, among other things, (i) further details of the Subscriptions; (ii) notices convening the EGM and the Class Meetings; and (iii) other disclosures required under the Listing Rules, is expected to be despatched to the Shareholders on or before 11 September 2023.

Shareholders and potential investors should note that completion of each of the Subscriptions is subject to fulfilment or waiver of the condition precedents under the relevant Subscription Agreements. As the Subscriptions may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

INTRODUCTION

The Board is pleased to announce that on 1 September 2023, the Company entered into (i) Subscription Agreement I with Subscriber I, pursuant to which Subscriber I has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, a total of 77,000,000 Subscription Shares at the Subscription Price of HK\$1.70 per Subscription Share in three tranches, and (ii) Subscription Agreement II with Subscriber II, pursuant to which Subscriber II has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, a total of 77,000,000 Subscription Shares at the Subscription Price of HK\$1.70 per Subscription Share in three tranches.

The principal terms of each of the Subscription Agreements entered into with the Subscribers are substantially the same. Salient terms of the Subscription Agreements are summarised below.

THE SUBSCRIPTION AGREEMENTS

Date: 1 September 2023

Parties

- Subscription Agreement I: (1) the Company, as issuer; and
(2) YBN Investments, as Subscriber I
- Subscription Agreement II: (1) the Company, as issuer; and
(2) Unicorn Link, as Subscriber II

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, each of the Subscribers and its ultimate beneficial owner(s) are Independent Third Parties.

The Subscription Shares

Pursuant to the Subscription Agreement I, the Subscriber I has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, a total of 77,000,000 Subscription Shares at the Subscription Price of HK\$1.70 per Subscription Share in three tranches.

Pursuant to the Subscription Agreement II, the Subscriber II has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, a total of 77,000,000 Subscription Shares at the Subscription Price of HK\$1.70 per Subscription Share in three tranches.

Set out below are the details of the number of new H Shares to be subscribed by each Subscriber under each of the First Tranche Subscription, the Second Tranche Subscription and the Third Tranche Subscription:

| Name of the Subscribers | No. of Subscription Shares to be subscribed for under | | | |
|-------------------------|-------------------------------------------------------|-----------------------------|----------------------------|--------------------|
| | First Tranche Subscription | Second Tranche Subscription | Third Tranche Subscription | The Subscriptions |
| YBN Investments | 25,700,000 | 25,700,000 | 25,600,000 | 77,000,000 |
| Unicorn Link | 25,700,000 | 25,700,000 | 25,600,000 | 77,000,000 |
| Total | 51,400,000 | 51,400,000 | 51,200,000 | 154,000,000 |

The Subscription Shares are 154,000,000 new H Shares to be allotted and issued by the Company under the Specific Mandate. The Subscription Shares represent:

- (i) approximately 39.01% of the existing total number of H Shares in issue and approximately 21.03% of the existing total number of the Shares in issue as at the date of this announcement; and
- (ii) approximately 28.06% of the total number of H Shares in issue and approximately 17.37% of the total number of the Shares in issue as enlarged by the issue of the Subscription Shares immediately following the completion of the Subscriptions, assuming that there will be no change in the total number of Shares in issue (other than the issue of the Subscription Shares) between the date of this announcement and the completion of the Subscriptions.

The aggregate nominal value of the Subscription Shares is RMB154,000,000.

Subscription Price

The Subscription Price of HK\$1.70 per Subscription Share represents:

- (i) a discount of approximately 55.61% to the closing price of HK\$3.83 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 55.61% to the average closing price of approximately HK\$3.83 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day;
- (iii) a discount of approximately 55.61% to the average closing price of approximately HK\$3.83 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day;
- (iv) a premium of approximately 161.54% to the audited consolidated net asset value per Share of approximately RMB0.60 (equivalent to approximately HK\$0.65) based on a total of 732,460,400 Shares in issue as at 31 December 2022 and the audited consolidated net asset of the Company of approximately RMB437,913,000 as at 31 December 2022; and
- (v) a premium of approximately 183.33% to the unaudited consolidated net asset value per Share of approximately RMB0.55 (equivalent to approximately HK\$0.60) based on a total of 732,460,400 Shares in issue as at 30 June 2023 and the unaudited consolidated net asset of the Company of approximately RMB402,865,000 as at 30 June 2023.

The Subscription Price was determined after arm's length negotiations between the Company and the Subscribers after taking into consideration, among others, the prevailing capital market conditions, the financial condition of the Group, the latest published net asset value per Share, the lack of trading volume in the H Shares for a long period of time due to the suspension of trading in the H Shares with effect from 4 June 2021 and the applicable laws, regulations and normative documents of the PRC.

Set out below are the details of the consideration of the First Tranche Subscription Shares, the Second Tranche Subscription Shares and the Third Tranche Subscription Shares which shall be satisfied in cash and payable by each Subscriber on the First Tranche Completion Date (as defined below), the Second Tranche Completion Date (as defined below) and the Third Tranche Completion Date (as defined below):

| Name of the Subscribers | Consideration of the First Tranche Subscription Shares (HK\$) | Consideration of the Second Tranche Subscription Shares (HK\$) | Consideration of the Third Tranche Subscription Shares (HK\$) | Total consideration of Subscription Shares (HK\$) |
|-------------------------|------------------------------------------------------------------------------|-------------------------------------------------------------------------------|------------------------------------------------------------------------------|------------------------------------------------------------------|
| YBN Investments | 43,690,000 | 43,690,000 | 43,520,000 | 130,900,000 |
| Unicorn Link | 43,690,000 | 43,690,000 | 43,520,000 | 130,900,000 |
| Total | 87,380,000 | 87,380,000 | 87,040,000 | 261,800,000 |

Assuming all the Subscription Shares are fully subscribed, the gross proceeds from the Subscriptions are expected to be HK\$261.80 million. After deducting related professional fees and all related expenses of approximately HK\$1.05 million to be borne by the Company under the Subscriptions, the net proceeds of the Subscriptions will amount to approximately HK\$260.75 million, representing a net subscription price of approximately HK\$1.69 per Subscription Share.

Conditions precedent to the Subscriptions

Completion of each of the First Tranche Subscription, the Second Tranche Subscription and the Third Tranche Subscription under each of the Subscription Agreements is conditional upon the fulfilment or waiver (if applicable) of the following conditions:

- (i) the obtaining of the approval of the Board for the Subscriptions and the passing of special resolutions at the EGM and the Class Meetings approving the following matters in accordance with the Listing Rules, the Articles and/or applicable laws including but not limited to: (a) the entering into, delivery and performance of the Subscription Agreements and the transactions contemplated thereunder; (b) the Specific Mandate; and (c) authorizing the Directors to make such other necessary amendments to the Articles in relation to the increase in the registered share capital of the Company and to reflect the changes in the share capital of the Company as the result of the issue of the Subscription Shares;
- (ii) the Stock Exchange has granted the listing of, and permission to deal in, the Subscription Shares (irrespective of any conditions), and such approval has not been revoked prior to the completion of the First Tranche Subscription (in respect of the First Tranche Subscription Shares), the Second Tranche Subscription (in respect of the Second Tranche Subscription Shares) and the Third Tranche Subscription (in respect of the Third Tranche Subscription Shares) (as the case may be);

- (iii) the Stock Exchange has granted the approval of the resumption of trading in the H Shares on the Stock Exchange (irrespective of any conditions), and such approval has not been revoked prior to the completion of the First Tranche Subscription, the Second Tranche Subscription and the Third Tranche Subscription (as the case may be);
- (iv) H Shares continue to be listed on the Stock Exchange;
- (v) all requisite approvals and consents of any governmental or regulatory authorities (including but not limited to Zhuhai SASAC) or any other third parties having been obtained by the Company and remained in full force and effect in connection with the entering into and performance of each of the Subscription Agreements and the transactions contemplated thereunder, and that all applicable statutory and legal obligations, all applicable securities legislation and all requirements of the applicable authorities having been complied with;
- (vi) all requisite approvals of the board of directors or the shareholders (as the case may be in accordance with the Subscribers' articles of association) of the Subscribers having been obtained by the Subscribers and remained in full force and effect for the entering into and performance of the Subscription Agreements and the completion of the relevant Subscriptions;
- (vii) the representations and warranties given by the Company in the Subscription Agreements remaining true and accurate in all material respects; and
- (viii) the representations and warranties given by the Subscribers in the Subscription Agreements remaining true and accurate in all material respects.

The Company and the Subscribers shall use their best endeavours to ensure the fulfilment of the above conditions as soon as practicable. Save that the Subscribers have the right to waive the above condition (vii) and the Company has the right to waive the above conditions (vi) and (viii), none of the above conditions can be waived by any party to the Subscription Agreements.

If the above conditions precedent are not fulfilled or waived (where applicable) on or prior to the First Tranche Completion Date, the Second Tranche Completion Date or the Third Tranche Completion Date (as the case may be) under the Subscription Agreement(s), the Subscription Agreement(s) shall cease and terminate automatically (save for the surviving clauses) and thereafter neither party shall have any claim against the other for damages or otherwise, save for any antecedent breach of the Subscription Agreement(s).

As at the date of this announcement, the requisite approval from Zhuhai SASAC has been obtained in connection with the entering into and performance of each of the Subscription Agreements and the transactions contemplated thereunder.

Completion

The completion of the First Tranche Subscription will take place on a date within three Business Days following the fulfilment or waiver (if applicable) of the above conditions precedent to the completion of the First Tranche Subscription but no later than 30 September 2023 (the “**First Tranche Completion Date**”).

The completion of the Second Tranche Subscription will take place on a date within three Business Days following the fulfilment or waiver (if applicable) of the above conditions precedent to the completion of the Second Tranche Subscription but no later than 90 days after the completion of the First Tranche Subscription (i.e. no later than 29 December 2023) (the “**Second Tranche Completion Date**”).

The completion of the Third Tranche Subscription will take place on a date within three Business Days following the fulfilment or waiver (if applicable) of the above conditions precedent to the completion of the Third Tranche Subscription but no later than 180 days after the completion of the First Tranche Subscription (i.e. no later than 28 March 2024) (the “**Third Tranche Completion Date**”).

Ranking of the Subscription Shares

The Subscription Shares, when allotted and issued, will rank pari passu in all respects among themselves, and with the H Shares in issue on the date of allotment and issue of the Subscription Shares.

Lock-up period

Each of the Subscribers unconditionally and irrevocably undertakes with the Company that, without the prior written approval of the Company:

- (i) in respect of the First Tranche Subscription Shares, for a period from the First Tranche Completion Date (including such date) and ending on (i) twelve months from the First Tranche Completion Date or (ii) six months from the Third Tranche Completion Date (whichever is later); and
- (ii) in respect of the Second Tranche Subscription Shares, for a period from the Second Tranche Completion Date (including such date) and ending on (i) nine months from the Second Tranche Completion Date or (ii) six months from the Third Tranche Completion Date (whichever is later); and
- (iii) in respect of the Third Tranche Subscription Shares, for a period from the Third Tranche Completion Date (including such date) and ending on six months from the Third Tranche Completion Date,

each of the Subscribers, its nominee or any party acting in concert shall not, directly or indirectly, sell, transfer or other forms of dealing with any of the Subscription Shares or their interests, whether any of the foregoing transactions or arrangement is to be settled by delivery of such Subscription Shares or in cash or otherwise (collectively, the “**Dealings**”) or released to the public any Dealings in respect of the Subscription Shares (in whole or in part) or enter into any letter of intent to do any of the foregoing or deposit any of the Subscription Shares (in whole or in part) to any depository.

EFFECT OF THE SUBSCRIPTIONS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after completion of the First Tranche Subscription but before completion of the Second Tranche Subscription and the Third Tranche Subscription; (iii) immediately after completion of the First Tranche Subscription and the Second Tranche Subscription but before completion of the Third Tranche Subscription; (iv) immediately after completion of the First Tranche Subscription, the Second Tranche Subscription and the Third Tranche Subscription, assuming that all of the 154,000,000 Subscription Shares will be subscribed by the Subscribers in full and no further Shares will be issued or repurchased from the date of this announcement and up to date of completion of the First Tranche Subscription, the Second Tranche Subscription and the Third Tranche Subscription:

| | As at the date of this announcement | | | Upon completion of the First Tranche Subscription | | | Upon completion of the Second Tranche Subscription | | | Upon completion of the Third Tranche Subscription | | |
|------------------------------------------------|-------------------------------------|--------------------------------------------------|---------------------------------------|---------------------------------------------------|--------------------------------------------------|---------------------------------------|----------------------------------------------------|--------------------------------------------------|---------------------------------------|---------------------------------------------------|--------------------------------------------------|---------------------------------------|
| | Number of Shares | Approximate % of issued Shares in the same class | Approximate % of entire issued Shares | Number of Shares | Approximate % of issued Shares in the same class | Approximate % of entire issued Shares | Number of Shares | Approximate % of issued Shares in the same class | Approximate % of entire issued Shares | Number of Shares | Approximate % of issued Shares in the same class | Approximate % of entire issued Shares |
| <i>Domestic Shares</i> | | | | | | | | | | | | |
| Digital Science & Technology | 168,362,098 | 49.86 | 22.99 | 168,362,098 | 49.86 | 21.48 | 168,362,098 | 49.86 | 20.16 | 168,362,098 | 49.86 | 18.99 |
| Huafa Technology Industry Group | 169,337,902 | 50.14 | 23.12 | 169,337,902 | 50.14 | 21.60 | 169,337,902 | 50.14 | 20.27 | 169,337,902 | 50.14 | 19.10 |
| SUB-TOTAL | 337,700,000 | 100 | 46.11 | 337,700,000 | 100 | 43.08 | 337,700,000 | 100 | 40.43 | 337,700,000 | 100 | 38.09 |
| <i>H Shares</i> | | | | | | | | | | | | |
| Hong Kong | | | | | | | | | | | | |
| Huafa Investment Holdings Limited | 327,057,912 | 82.85 | 44.65 | 327,057,912 | 73.31 | 41.72 | 327,057,912 | 65.73 | 39.16 | 327,057,912 | 59.60 | 36.90 |
| <i>Public Shareholders</i> | | | | | | | | | | | | |
| - Subscriber I | - | - | - | 25,700,000 | 5.76 | 3.28 | 51,400,000 | 10.33 | 6.15 | 77,000,000 | 14.03 | 8.69 |
| - Subscriber II | - | - | - | 25,700,000 | 5.76 | 3.28 | 51,400,000 | 10.33 | 6.15 | 77,000,000 | 14.03 | 8.69 |
| - Public Shareholders (other than Subscribers) | 67,702,488 | 17.15 | 9.24 | 67,702,488 | 15.17 | 8.64 | 67,702,488 | 13.61 | 8.11 | 67,702,488 | 12.34 | 7.63 |
| Sub-total of public Shareholders | 67,702,488 | 17.15 | 9.24 | 119,102,488 | 26.69 | 15.20 | 170,502,488 | 34.27 | 20.41 | 221,702,488 | 40.40 | 25.01 |
| SUB-TOTAL | 394,760,400 | 100 | 53.89 | 446,160,400 | 100 | 56.92 | 497,560,400 | 100 | 59.57 | 548,760,400 | 100 | 61.91 |
| TOTAL | 732,460,400 | 100 | 100 | 783,860,400 | 100 | 100 | 835,260,400 | 100 | 100 | 886,460,400 | 100 | 100 |

Note: The aggregate percentage may not sum to total due to rounding.

EQUITY FUND RAISING ACTIVITIES IN THE PAST 12 MONTHS

The Company has not conducted any equity fund raising activity in the 12 months preceding the date of this announcement.

APPLICATION FOR LISTING

Application will be made to the Listing Committee for the listing of, and permission to deal in, the Subscription Shares by the Company.

INFORMATION OF THE GROUP AND THE PARTIES TO THE SUBSCRIPTION

The Company is a joint stock limited company incorporated in the PRC on 31 May 2001. The principal business activity of the Group is the sale of mobile telecommunications devices and accessories and the provision of related services.

YBN Investments is a company incorporated in Hong Kong with limited liability and is an investment platform company wholly owned by YBN International Holdings Limited, which is controlled by YBN Holdings Limited (“**YBN Holdings**”). YBN Holdings is principally engaged in direct investment, asset management, financial leasing and factoring businesses in mainland China. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, YBN Holdings is owned as to (i) approximately 46.75% by CITIC International Assets Management Limited (中信國際資產管理有限公司), (ii) approximately 38.25% by a company ultimately majority owned by a private investor, namely Wang Wei, and (iii) approximately 15% by a company ultimately owned by a private investor. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, neither of YBN Investments nor its ultimate beneficial owners is a connected person (as defined under the Listing Rules) of the Company.

Unicorn Link is a company incorporated in the British Virgin Islands with limited liability. Unicorn Link was established as a special purpose company and is a wholly-owned subsidiary of Xi Yue Cultural Industry Investment Fund L.P. (“**Xi Yue Fund L.P.**”), an exempted limited partnership incorporated in the Cayman Islands which is engaged in various investment activities. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the limited partner of Xi Yue Fund L.P. is United Wealth Ventures Limited (a company incorporated in the British Virgin Islands with limited liability), which is wholly owned by Glorious Maple Limited (“**Glorious Maple**”). Glorious Maple is owned as to 30% by Hong Ching Wei and 70% by Create Profit Global Limited, which is wholly owned by Yeung Wan Yiu. The general partner of Xi Yue Fund L.P. is Vital Vision Limited (a company incorporated in the Cayman Islands with limited liability) (“**Vital Vision**”), which is responsible for the day-to-day management of Xi Yue Fund L.P. and its investment activities. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, neither of Xi Yue Fund L.P. nor its ultimate beneficial owners is a connected person (as defined under the Listing Rules) of the Company.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS

As disclosed in the announcement of the Company dated 3 June 2021 (the “**Closing Announcement**”), immediately after the close of the Offers and taking into account the valid acceptances of the Offers in respect of 327,057,912 H Shares, the Offeror Group and parties acting in concert with it held, controlled or directed 327,057,912 H Shares and 337,700,000 Domestic Shares, representing approximately 82.85% and 100% of the issued H Shares and Domestic Shares respectively and representing in aggregate approximately 90.76% of the total issued Shares. Immediately following the close of the Offers, 67,702,488 H Shares, representing approximately 9.24% of the issued Shares as at the date of the Closing Announcement, were held by the public (within the meaning of the Listing Rules). Accordingly, the minimum public float requirement of 25% of the Shares as set out in Rule 8.08(1)(a) of the Listing Rules was not satisfied. At the request of the Company, trading in the H Shares has been suspended since 4 June 2021 since the percentage of public float fell below 15% following the close of the Offers.

Since the suspension of trading of H Shares on 4 June 2021, the Company has been proactively formulating workplans for restoration of public float by the Company and use its best endeavours to reach out and negotiate with potential investors for the subscription of H Shares in order to restore the minimum public float as soon as practicable. As disclosed in the announcement of the Company dated 22 February 2023, the Stock Exchange has granted the approval to extend the remedial period of resumption of trading of the H shares from 3 December 2022 to 30 September 2023 (the “**Remedial Period**”). To restore the public float of the Company as soon as possible, the Board has resolved to enter into the Subscription Agreements with the Subscribers, pursuant to which a total of 154,000,000 Subscription Shares, representing approximately 21.03% of the total number of Shares in issue of the Company as at the date of this announcement, will be allotted and issued in a total of three tranches to the Subscribers who would constitute the public shareholders of the Company.

Assuming that all of the 154,000,000 Subscription Shares will be subscribed by the Subscribers in full and no further Shares will be issued or repurchased from the date of this announcement and up to date of completion of all three tranches of the Subscriptions, it is expected that the percentage of the public float of the Company will be increased to approximately 25.01% of the issued Shares (as enlarged by the Subscription Shares) after completion of all three tranches of the Subscriptions. For details of the effect of the Subscriptions on the shareholding structure of the Company, please refer to the section headed “Effect of the Subscriptions on the Shareholding Structure of the Company” in this announcement above.

In light of the above and given that there is a reasonable degree of certainty that each tranche of the Subscriptions will be materialised as the Subscribers are legally bound to subscribe for the Subscription Shares subject to the terms and conditions of the Subscription Agreements, the Company has applied to the Stock Exchange for, and the Stock Exchange has granted the preliminary approval to the Company to allow the resumption of trading of H shares of the Company upon completion of the First Tranche Subscription. The Company will make a formal application to the Stock Exchange for the resumption of trading of H Shares upon completion of the First Tranche Subscription.

Not only enabling the restoration of its public float, the Subscriptions also represent a good opportunity for the Company to raise capital in this challenging capital market conditions. The Subscriptions will allow the Company to replenish its working capital without having to increase the Group's financing costs and sustain the continuous business and development of the Group. Accordingly, the Directors (including the independent non-executive Directors) consider that the terms and conditions of the Subscription Agreements (including the Subscription Price) were entered into on normal commercial terms after arm's length negotiations and the terms therein are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

USE OF PROCEEDS

It is expected that the gross proceeds from the Subscriptions will be HK\$261.80 million. After deducting related professional fees and all related expenses of approximately HK\$1.05 million to be borne by the Company under the Subscriptions, the net proceeds from the Subscriptions will amount to approximately HK\$260.75 million. The Company intends to use the net proceeds as general working capital for the Group (including repayment of bank loans related to general operation).

CLOSURE OF REGISTER OF MEMBERS

In order to determine the eligibility of Shareholders to attend and vote at the EGM and the Class Meetings, the Company's register of H Shareholders will be closed from Wednesday, 20 September 2023 to Monday, 25 September 2023 (both days inclusive). Shareholders who intend to attend and vote at the EGM and/or the Class Meetings shall lodge all the transfer documents together with the relevant share certificates with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) or the registered office of the Company (for holders of Domestic Shares) no later than 4:30 p.m. on Tuesday, 19 September 2023.

GENERAL

The EGM and the Class Meetings will be convened for the purpose of considering and, if appropriate, approving, among other things, the grant of the Specific Mandate, the Subscription Agreements and the transactions contemplated thereunder.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder has a material interest in the transactions contemplated under the Subscription Agreements and will be required to abstain from voting on the resolution(s) to approve the Subscriptions and the transactions contemplated thereunder at the EGM and the Class Meetings.

A circular containing, among other things, (i) further details of the Subscriptions; (ii) notices convening the EGM and the Class Meetings; and (iii) other disclosures required under the Listing Rules, is expected to be despatched to the Shareholders on or before 11 September 2023.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the H Shares has been suspended with effect from 9:00 a.m. on 4 June 2021 and will remain suspended until further notice. Further announcement(s) will be made by the Company regarding the restoration of the public float as and when appropriate pursuant to the Listing Rules.

Shareholders and potential investors should note that completion of each of the Subscriptions is subject to fulfilment or waiver of the condition precedents under the relevant Subscription Agreements. As the Subscriptions may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set out below:

| | |
|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Articles” | the articles of association of the Company |
| “Board” | the board of Directors |
| “Business Day(s)” | a day (excluding Saturday, Sunday, public holiday and any day on which a tropical cyclone warning no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours |
| “Class Meetings” | the respective class meetings of the holders of H Shares and holders of Domestic Shares to be convened and held for the purposes of approving, among other things, the grant of the Specific Mandate, the Subscription Agreements and the transactions contemplated thereunder |
| “Company” | Beijing Digital Telecom Co., Ltd. (北京迪信通商貿股份有限公司), a joint stock company incorporated in the PRC with limited liability, and whose H Shares are listed on the Stock Exchange under stock code of 6188 |
| “connected person(s)” | has the meaning ascribed to it under the Listing Rules |
| “controlling shareholder” | has the meaning ascribed to it under the Listing Rules |
| “Director(s)” | the directors of the Company |

| | |
|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Domestic Share(s)” | the ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB |
| “Domestic Share Offer” | the conditional mandatory cash offer made by Huafa Technology Industry Group for the Domestic Shares (other than those already owned or agreed to be acquired by Huafa Technology Industry Group and parties acting in concert with it) in accordance with the Takeovers Code (for details, please refer to the composite document issued by the Company and the Offeror Group dated 30 April 2021) |
| “EGM” | the extraordinary general meeting of the Company to be convened and held for the purposes of approving, among other things, the grant of the Specific Mandate, the Subscription Agreements and the transactions contemplated thereunder |
| “First Tranche Completion Date” | has the meaning given to it in the section headed “the Subscription Agreements – Completion” of this announcement |
| “First Tranche Subscription” | subscription of the First Tranche Subscription Shares by the Subscribers on the First Tranche Completion Date pursuant to the Subscription Agreements |
| “First Tranche Subscription Shares” | a total of 51,400,000 H Shares to be subscribed by the Subscribers on the First Tranche Completion Date pursuant to the Subscription Agreements |
| “Group” | the Company and its subsidiaries from time to time |
| “H Share(s)” | the ordinary share(s) of the Company, with a par value of RMB1.00 each, which are listed on the Stock Exchange and traded in HK\$ |
| “H Share Offer” | the conditional mandatory cash offer made by Guotai Junan Securities for and on behalf of Hong Kong Huafa for the H Shares in accordance with the Takeovers Code (for details, please refer to the composite document issued by the Company and the Offeror Group dated 30 April 2021) |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | Hong Kong Special Administrative Region |

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| “Hong Kong Huafa” | Hong Kong Huafa Investment Holdings Limited* (香港華發投資控股有限公司), a company incorporated in Hong Kong with limited liability and a controlling shareholder of the Company |
| “Huafa Technology Industry Group” | Zhuhai Huafa Technology Industry Group Co., Ltd. (珠海華發科技產業集團有限公司) (formerly known as Zhuhai Huafa Industrial Investment Holding Co., Ltd.* (珠海華發實體產業投資控股有限公司)), a limited liability company established in the PRC and a controlling shareholder of the Company |
| “Independent Third Party(ies)” | any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, are third parties independent of and not connected with the Company and any of its connected persons in accordance with the Listing Rules |
| “Last Trading Day” | 3 June 2021, being the last trading day prior to the suspension of trading of the H Shares on the Stock Exchange |
| “Listing Committee” | the listing sub-committee of the board of the Stock Exchange |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Offer(s)” | the Domestic Share Offer and the H Share Offer |
| “Offeror Group” | Huafa Technology Industry Group and Hong Kong Huafa |
| “PRC” | The People’s Republic of China, for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Second Tranche Completion Date” | has the meaning given to it in the section headed “the Subscription Agreements – Completion” of this announcement |
| “Second Tranche Subscription” | subscription of the Second Tranche Subscription Shares by the Subscribers on the Second Tranche Completion Date pursuant to the Subscription Agreements |
| “Second Tranche Subscription Shares” | a total of 51,400,000 H Shares to be subscribed by the Subscribers on the Second Tranche Completion Date pursuant to the Subscription Agreements |

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| “Share(s)” | Domestic Share(s) and H Share(s) |
| “Shareholders” | holder(s) of the Shares |
| “Specific Mandate” | the specific mandate proposed to be granted to the Directors by the Shareholders at the EGM and Class Meetings to issue the Subscription Shares to the Subscribers pursuant to the Subscription Agreements |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Subscriber I” or “YBN Investments” | YBN Investments Limited, a company incorporated in Hong Kong with limited liability and is an investment platform company wholly-owned by YBN International Holdings Limited |
| “Subscriber II” or “Unicorn Link” | Unicorn Link Group Limited, a company incorporated in the British Virgin Islands with limited liability and is a wholly-owned subsidiary of Xi Yue Cultural Industry Investment Fund L.P. |
| “Subscribers” | collectively, Subscriber I and Subscriber II |
| “Subscription Agreement I” | the conditional subscription agreement dated 1 September 2023 entered into between the Company as issuer and Subscriber I as subscriber for the subscription of a total of 77,000,000 Subscription Shares at the Subscription Price in three tranches |
| “Subscription Agreement II” | the conditional subscription agreement dated 1 September 2023 entered into between the Company as issuer and Subscriber II as subscriber for the subscription of a total of 77,000,000 Subscription Shares at the Subscription Price in three tranches |
| “Subscription Agreements” | collectively, Subscription Agreement I and Subscription Agreement II |
| “Subscription Share(s)” | a total of 154,000,000 H Shares to be subscribed by the Subscribers pursuant to the Subscription Agreements |
| “Subscription Price” | HK\$1.70 per Subscription Share |
| “Subscriptions” | subscription of the Subscription Shares by the Subscribers pursuant to the Subscription Agreements |
| “Takeovers Code” | the Codes on Takeovers and Mergers and Share Buybacks |

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| “Third Tranche Completion Date” | has the meaning given to it in the section headed “the Subscription Agreements – Completion” of this announcement |
| “Third Tranche Subscription” | subscription of the Third Tranche Subscription Shares by the Subscribers on the Third Tranche Completion Date pursuant to the Subscription Agreements |
| “Third Tranche Subscription Shares” | a total of 51,200,000 H Shares to be subscribed by the Subscribers on the Third Tranche Completion Date pursuant to the Subscription Agreements |
| “Zhuhai SASAC” | State-owned Assets Supervision and Administration Commission of Zhuhai Municipal People’s Government* (珠海市人民政府國有資產監督管理委員會) |
| “%” | per cent |

In this announcement, amounts in RMB are translated into HK\$ on the basis of RMB\$1.00 = HK\$1.09. The conversion rate is for illustration purposes only and should not be taken as a representation that RMB could actually be converted into HK\$ at such rate or at all.

By order of the Board
Beijing Digital Telecom Co., Ltd.
XU Jili
Chairwoman

Beijing, the PRC
1 September 2023

As at the date of this announcement, the executive Directors are Ms. XU Jili, Ms. XU Liping and Mr. LIU Donghai; the non-executive Directors are Mr. XIE Hui, Mr. JIA Zhaojie and Ms. PAN Anran; and the independent non-executive Directors are Mr. LV Tingjie, Mr. LV Pingbo and Mr. CAI Chun Fai.

* *For identification purpose only*